GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:68
ANSWERED ON:20.02.2001
CURTAILING CAPACITY OF RCF PLANT
DR. KIRIT SOMAIYA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the capacity of RCF plant throughout the country has been curtailed rapidly due to short supply of gas.

(b) whether the Mumbai RCF has decided to close down one of its plants;

(c) whether the gas supply and labour problem has affected the functioning and profitability of the company;

(d) whether the Government have taken up the issue with the Ministry of Petroleum and Natural Gas to regulate and streamline the gas supply from GAIL; and

(e) if so, long term planning proposed by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a): Yes, Sir.

(b): RCF has been forced to shut down one of its ammonia plants, nitric acidplants and complex fertilizer plants since January 2001 because of short supply of feed gas from GAIL.Besides, the remaining few plants at Trombay (Mumbai) are operating at reduced load. Even at Thal, one of three urea plants has been shut down for want of adequate supply of feed gas from GAIL while other plants are being operated at reduced load.

(c): The short supply of gas from GAIL has adversely affected the profitability ofthe company. There is no labour problem in the company. However, a large number of employees have become idle because of short supply of gas which led to shut down of some plants.

(d): The Department of Fertilizers has taken up the issue of short supply ofgas by GAIL to RCF with the Ministry of Petroleum & Natural Gas on several occasions.

(e): As a long term planning, RCF has signed Gas Supply Agreement with M/sMETGAS for supply of LNG which is scheduled to be available for its Thal plants by the year 2003. However, Trombay plants of RCF have to depend totally ongas supplied by GAIL for their smooth operations.